

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF OHIO
FOR THE WESTERN DIVISION**

In re:)	Chapter 11
)	
The Antioch Company, <i>et al.</i>)	Case Nos. 08-35741 through 08-35747
)	(Jointly Administered)
Debtors.)	
)	Judge Humphrey

**FINAL APPLICATION OF TAFT, STETTINIUS & HOLLISTER LLP,
COUNSEL TO THE COMMITTEE, FOR ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Taft, Stettinius & Hollister LLP, (“Applicant”), as and for its Final Application (the “Application”) for allowance of compensation and reimbursement of expenses as Counsel to The Official Committee of Unsecured Creditors (the “Committee”) of The Antioch Company, *et al.* (the “Debtors”¹), respectfully states as follows:

PRELIMINARY STATEMENT

1. On November 13, 2008 (the “Petition Date”), the Debtors filed voluntary petitions for relief in this Court under Chapter 11 of the Bankruptcy Code. The Court has entered an order authorizing the joint administration of these Chapter 11 cases. By order dated January 27, 2009, the Court confirmed the Second Amended Joint Prepackaged Plan of Reorganization of The Antioch Company and Its Affiliated Debtors (Doc. No.319) (the “Plan”).

2. On December 8, 2008, the United States Trustee appointed the Committee (Doc. No. 136). The members of the Committee were Lisa Marie Drew, Heidi Leigh Everett, 2377

¹ The Debtors consist of The Antioch Company (“Antioch”); Antioch International, Inc.; Antioch International-Canada, Inc.; Antioch International-New Zealand, Inc.; Antioch Framers Supply Company; zeBlooms, Inc.; and Creative Memories Puerto Rico, Inc.

Commerce Boulevard, LLC, Kay Richter, and Walthall A&B, LP. The Committee selected Applicant as its counsel in these Chapter 11 cases.

3. On December 15, 2008, the Committee filed the Application to Retain, Employ and Compensate Taft, Stettinius & Hollister LLP as counsel for the Official Committee of Unsecured Creditors (Doc. No. 189) (the "Employment Application"). Through the Employment Application, the Committee pursuant to Section 328(a) and 1103(a) of the Bankruptcy Code, sought approval of the court to employ the Applicant and to have its compensation and reimbursement, after approval by this Court, paid as an administrative expense in this case. On December 23, 2008 the Court entered its Order Authorizing Retention of Taft, Stettinius & Hollister LLP as Counsel for the Official Committee of Unsecured Creditors (Doc. No. 228) (the "Approval Order") approving the Employment Application.

4. On January 27, 2009, the Court entered its Findings of Fact, Conclusions of Law, and Order Under 11 U.S.C. §§ 1126 and 1129(a) and (b) and Fed. R. Bankr. P. 3020 (I) Approving the Prepetition Solicitation Procedures, (II) Approving the Adequacy of the Disclosure Statement and (III) Confirming the Second Amended Joint Prepackaged Plan of Reorganization of The Antioch Company and its Affiliate Debtors (Doc. 319). The Plan became effective by its terms on February 6, 2009 (the "Effective Date") (Doc. No. 336).

5. Through this Application, Applicant is seeking, pursuant to Section 330 of the Bankruptcy Code, final allowance and payment of compensation for actual and necessary services rendered as counsel to the Committee in the amount of \$515,220.00 and reimbursement of actual and necessary expenses in the amount of \$27,087.74 incurred by the Applicant on behalf of the Committee in the performance of such services during the period from Applicant's

employment, December 8, 2008, through the February 6, 2009 Effective Date (the "Compensation Period").

6. This Court has jurisdiction over this matter pursuant to Sections 157 and 1334 of Title 28 of the United States Code. This Application presents a core proceeding pursuant to 157(b) of the United States Code. This Application is brought pursuant to Section 330 of the Bankruptcy Code and Local Bankruptcy Rule 2016.

**DESCRIPTION OF SERVICES RENDERED,
TIME EXPENDED AND EXPENSES INCURRED**

7. Attached hereto as Exhibit "A" are copies of the detailed invoices prepared by the Applicant (the "Invoices") showing, in chronological order, the services rendered by each of the Applicant's attorneys, paralegals and IT personnel during the Compensation Period. In particular, the Invoices set forth an itemization of the dates on which services were rendered; a narrative description of each service performed; and the number of hours expended in performing such services on each date. The total billable value of the services rendered by each attorney, paralegal or IT person for the Compensation Period (*i.e.*, the amount representing the number of hours expended multiplied by the particular individual's hourly rate in effect on the date such services were rendered) is set forth on the spreadsheet attached hereto as Exhibit "B" (the "Schedule of Billable Values"). The Schedule of Billable Values lists the full name of each attorney, paralegal and IT person and their corresponding initials as they appear in the Invoices, and the total hours billed by, the hourly rates applicable to and the corresponding total fees billed by each such individual during the Compensation Period.

8. The Invoices in Exhibit "A" correspond to the relevant Project Categories contained in the Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 (the "Guidelines"), promulgated by the Executive

Office for United States Trustees. The following is a description of the categories reflected in the Invoices, a general description of the services allocated to each category, and an itemization of the number of hours expended and corresponding amounts requested for each category.

Case Administration

The category denominated "Case Administration" includes services rendered by the Applicant in connection with, among other things, meeting and communicating with the Committee members, preparing and filing initial pleadings on behalf of the Committee, including a motion for a continuance of the plan confirmation process, preparing for and participating in a contested evidentiary hearing on the continuance motion, and corresponding with parties in interest, including counsel for the ESOP noteholders and counsel for certain ESOP Participants, concerning various issues in the case.

<u>Number of Hours Expended</u>	<u>Amount Requested</u>
121.60	\$34,152.00

Fee/Employment Applications

The category denominated "Fee/Employment Applications" includes services rendered by the Applicant in connection with, among other things, preparation of the Applicant's employment application and this final fee application and preparation of employment and fee applications for the Committee's financial advisor, Periculum Capital.

<u>Number of Hours Expended</u>	<u>Amount Requested</u>
41.80	\$11,799.00

Fee/Employment Objections

The category denominated "Fee/Employment Objections" includes services rendered by the Applicant in connection with, among other things, reviewing employment applications of the Debtors' professionals and preparing an objection to Debtors' motion to pay the fees of a valuation expert.

<u>Number of Hours Expended</u>	<u>Amount Requested</u>
7.10	\$1,371.50

Financing

The category denominated "Financing" includes services rendered by the Applicant in connection with, among other things, negotiating, reviewing and revising the terms of the debtor-in-possession financing and cash collateral usage arrangements and orders with the DIP Lenders and related budgets, meetings with, correspondence to and telephone conferences with the DIP Lenders, reviewing the validity, priority and effectiveness of the liens of the Debtors' pre-petition secured lenders and reviewing voluminous documents produced by those lenders with respect to the existence of any claims against those lenders.

<u>Number of Hours Expended</u>	<u>Amount Requested</u>
79.20	\$23,771.50

Plan and Disclosure Statement

The category denominated "Plan and Disclosure Statement" includes the bulk of the services rendered by Applicant to the Committee in this case, in connection with, among other things, preparing and serving informal document requests concerning Debtors' pre-packaged Chapter 11 plan; preparing and filing a motion for Rule 2004 exam of various parties in interest

and participating in a hearing concerning the same; reviewing approximately 1 million pages of documents produced to the Committee in response to its formal and informal document requests; preparing for and conducting informal interviews of nine witnesses; preparing and filing briefs, objecting to Debtors' disclosure statement and proposed pre-packaged plan; preparing and filing under seal a factual appendix containing the Committee's findings from its investigation; preparing for a contested disclosure statement approval and confirmation hearing; negotiating and documenting a settlement of the Committee's objections and negotiating and revising the Plan, the Confirmation Order and all exhibits thereto, including the Litigation Trust Agreement.

<u>Number of Hours Expended</u>	<u>Amount Requested</u>
1,810.90	\$443,488.00

Tax Issues

The category denominated "Tax Issues" includes services rendered by Applicant in connection with advising the Committee concerning certain tax aspects of the proposed Litigation Trust Agreement.

<u>Number of Hours Expended</u>	<u>Amount Requested</u>
2.50	\$637.50

SUMMARY AND CONCLUSION

9. During the Compensation Period, the Applicant expended a total of 2,063.10 billable hours for actual and necessary services rendered on behalf of the Committee having a total billable value of \$515,119.50. In addition, the Applicant has advanced various out-of-pocket expenses totaling \$27,087.74, itemizations for the nature and amount of which are included in Exhibit "C".

10. Applicant has not previously sought compensation or reimbursement of expenses in connection with this case.

11. Applicant has not shared and will not share with others and compensation for services rendered in this case, except for the sharing of such compensation among the partners of the Applicant, as permitted by Federal Rule of Bankruptcy Procedure 2016.

WHEREFORE, Applicant respectfully requests that the Court approve this Application and enter and order (a) allowing Applicant the aggregate amount of \$542,307.24 as final compensation for actual and necessary services rendered to the Committee and for reimbursement of actual and necessary expenses incurred in connection with such services during the Compensation Period; (b) approving such amount as an administrative expense in this case; (c) authorizing and directing the Reorganized Debtor to immediately pay such amount, and (d) granting to Applicant such other and further relief as is just.

Dated: April 3, 2009

Respectfully submitted,

TAFT STETTINIUS & HOLLISTER LLP

By: /s/ W. Timothy Miller

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**ATTORNEYS FOR THE OFFICIAL
COMMITTEE OF UNSECURED
CREDITORS**

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 3rd day of April, 2009 a true and correct copy of the foregoing was served on all registered ECF participants through the Court's ECF system at the email addresses registered with the Court and by regular U.S. Mail upon the following:.

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Columbus, OH 43215

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/s/ Paige Leigh Ellerman